# GOVERNMENT OF INDIA
# CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
# LOK SABHA

UNSTARRED QUESTION NO:700
ANSWERED ON:07.02.2017
Retail Price under PDS
Ajmal Shri Sirajuddin

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:**

(a) whether States/UTs have been given any flexibility to fix the retail price of commodities under Public Distribution System (PDS) considering local parameters;
(b) if so, the details thereof alongwith the response of the States thereto indicating the quantum of subsidy proposed to be provided to the States;
(c) whether the system has any impact on rice production in the country and if so, the details thereof, State/UT-wise in the last one year; and
(d) the steps being taken to ensure adequate supply of rice to the poor under PDS?

## Answer

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)
(a) & (b): The National Food Security Act, 2013 (NFSA), provides that the Central Government shall allocate foodgrains to States/UTs for persons belonging to eligible households at Rs.1/2/3 per kg of Coarsegrain/Wheat/Rice. It further provides that the State Governments shall distribute the foodgrains to entitled persons at above mentioned price. The Act however, gives flexibility to States/UTs to continue with or formulate food or nutrition based plans or schemes providing for benefits higher than the benefits provided under this Act, from their own sources.
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The Act also provides that if annual allocation of foodgrains to any State/UT under the Act is less than the average annual offtake of foodgrains for the years 2010-11 to 2012-13 under normal Targeted Public Distribution System, the same shall be protected at prices as may be determined by the Central Government. Accordingly, for the tide over allocation to eligible States/UTs, to protect their average annual offtake, the Central Government has fixed Rs.6.10 per kg and Rs.8.30 per kg as issue price for wheat and rice respectively. States/UTs have been given flexibility to pass on the expenditure on items such as intra-State movement and handling of foodgrains and margins to fair price shop dealers, incurred in the process of distribution of 'tide over' allocation, to the beneficiaries or bear it themselves.
(c): No Madam.
(d): NFSA provides for coverage of two-thirds of the population for receiving highly subsidized foodgrains through Targeted Public Distribution System. Coverage under NFSA has been delinked from poverty estimates and is high enough to cover all the deserving households. Central Government is allocating foodgrains to States/UTs as per provisions of the Act regarding coverage and per person/per household foodgrains entitlements.
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